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DE RUEHWN #1961/01 3121357
ZNY CCCCC ZZH
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FM AMEMBASSY BRIDGETOWN
TO RUEHC/SECSTATE WASHDC PRIORITY 3666
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 0262
RUEHCV/AMEMBASSY CARACAS 1561
RUEHIN/AIT TAIPEI 0120
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL
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DEPARTMENT FOR WHA/CAR SOUTHCOM ALSO FOR POLAD

E.O. 12958: DECL: 09/29/2016

TAGS: PGOV PREL ECON EPET EINV ENRG SOCI KCRM VE

CH, TW, CU, XL

SUBJECT: U.S. INTERESTS IN ST. LUCIAN ELECTIONS: FOREIGN

RELATIONS, CRIME, AND THE ECONOMY

REF: A. BRIDGETOWN 1946

¶B. BRIDGETOWN 1743

¶C. BRIDGETOWN 700

Classified By: DCM Mary Ellen T. Gilroy for reasons 1.4(b) and (d)

- 11. (C) SUMMARY: The most pertinent issues for the United States in the upcoming St. Lucian elections are foreign relations, crime, and the economy. The ruling St. Lucian Labor Party (SLP) is expected to hold on to power, and therefore, significant change in St. Lucia's policies is unlikely. However, if the opposition United Workers Party (UWP) were to pull off a victory, the status quo, especially in international relations, could shift because of the opposition party's support for the United States and discomfort with strong ties to Venezuela and Cuba. The opposition party may also return diplomatic recognition from China to Taiwan. Although the opposition party currently speaks of changes in economic policy, including a return to the banana industry, it is unlikely that an opposition victory would result in dramatic changes in the government's approach to managing the economy or law enforcement. END SUMMARY.
- 12. (C) St. Lucia is preparing for what will likely be a close election (ref A). The outcome of the election could impact the government's policy direction in three key areas of interest to the United States: foreign relations, crime, and the economy. Two of these three, crime and the economy, are also major campaign issues for both parties. However, the two parties more commonly attack each other's lack of plans rather than presenting their own ideas on these matters. In private discussions, however, party members spoke more candidly concerning their plans if their respective party wins the elections.

FOREIGN RELATIONS

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13. (C) The starkest difference between the two parties falls in the realm of foreign relations. The ruling St. Lucian Labour Party (SLP) shows no signs of making any dramatic changes to its current policies. For example, St. Lucia continues to progress toward an agreement with Venezuela on Petrocaribe (ref B). PM Kenny Anthony continues to deepen

his friendship with Cuba, stating at the recent Non-Aligned Movement summit that Cuba is a "majestic example" of international cooperation. He also saluted the "humanitarian impulse" of President Fidel Castro. There may be some subtle course corrections after an elections victory. Various standing ministers stated that Senator Petrus Compton will not continue as Minister for External Affairs, International Trade, and Civil Aviation. Although no officials would comment in detail about a possible, post-election cabinet reshuffle, Dr. Julian Hunte, former Ambassador to the United Nations, and Dr. Vaughn Lewis, former Prime Minister and former director of the Organization of Eastern Caribbean States (OECS), are both likely candidates to replace FM Compton.

- 14. (C) On the other hand, pro-U.S. and anti-Venezuela/Cuba attitudes are widespread among current United Workers Party (UWP) leadership. Various UWP figures clearly expressed their dissatisfaction with Petrocaribe, stating that a UWP government would move away from the agreement (ref B). The UWP is nervous that deepening relations with Venezuela and Cuba will harm St. Lucian relations with the United States, a relationship they believe will yield more long-term benefits. Leonard 'Spider' Montoute, a UWP candidate, stated that choosing the United States over Venezuela and Cuba is worth rocking the boat with St. Lucia's CARICOM neighbors.
- 15. (C) On September 5, PM Anthony publicly called on former Prime Minister and senior UWP leader Sir John Compton to admit whether the UWP has promised that the party will reestablish relations with Taiwan if it wins the election. Compton responded by saying the party will disclose its policies after it is elected. Clarifying his views in a private discussion, Compton told PolOff that a UWP government should not be the type of government that easily shifts

recognition of countries. Instead, the government should only shift national recognition under circumstances of grave interference within internal affairs. Conversations with various party leaders suggest that many UWP members believe China interference is reaching that "grave" level. Michael Flood, a UWP Senator, stated that a UWP government would most certainly shift recognition from China to Taiwan, that Compton has stated this in party meetings, and that this is already in the party's Manifesto. (Note: Flood is a UWP stalwart and currently serves as an administrative manager of the party. However, it was clear in meetings with Flood that, although he knows and is willing to share much behind-the-scenes information, he sometimes speaks without having all his facts straight. End note.)

16. (C) When asked about possible ministers in a UWP government, multiple UWP leaders pointed to Keith St. Amy as the probable Minister for External Affairs, International Trade, and Civil Aviation. St. Amy is a retired career diplomat and former Ambassador. Even in the event of a UWP victory, it is unlikely that St. Amy will win in his district, Laborie, because of its tradition as a SLP stronghold (ref A). However, if the UWP wins the elections, St. Amy could be appointed as Minister of External Affairs if first appointed as a Senator by his party.

CRIME

17. (C) The government is currently under attack for an incomplete response to the increase in violent crime (ref C). In both 2004 and 2005, Saint Lucia had 37 homicides on record. This year, St. Lucia has already recorded 28 homicides. Rather than presenting solutions to combat crime, government officials glossed over the issue with the argument that the opposition party would not be able to handle it any better. Although the government has increased police resources, including numbers of officers, police stations, vehicles, and forensic equipment, ruling party officials were unable to provide other potential solutions to fighting crime. Two officials, Minister for Commerce and Tourism

Philip Pierre and Press Secretary Earl Bousquet, provided excuses, stating that police are unable to stop certain types of offenses, such as crimes of passion. These officials stated that if a man learns of his wife's infidelity and kills her for it, there is no way the police can know of and stop such a crime before it occurs. Similarly, these officials explained that, because of St. Lucia's small geographic size and population, everyone is directly linked together, resulting in the police being unwilling to arrest drug dealers or other criminals from their neighborhoods because of mutual personal or family connections.

18. (C) Like the ruling party, the UWP has provided little in terms of plans to counter the increase in serious crimes. Compton proposed subsidizing trade schools that would educate more young people and lower unemployment, but the ruling party currently has a similar program in place. Guy Mayers, a UWP candidate, recommended a reversal of the government's current gun control program. Mayers stated that the government currently pays ECD 2500 (approximately USD 926) to anyone surrending a firearm to the police. However, according to Mayers, firearms are available in Martinique for only ECD 400-500 (USD 148-185). Mayers explained that this has actually increased the flow of firearms from Martinique to St. Lucia. In private discussions, it also seemed clear that the UWP is still unsure whom it would appoint as Minister for Home Affairs and Internal Security if it were to win the election. This ministerial seat will prove an important position in 2007 as it will inherit both the crime problem and security issues related to Cricket World Cup.

## THE ECONOMY

19. (C) In recent years, the government has had success in shifting the economy from banana-based to tourism-based. According to the Caribbean Development Bank, St. Lucia enjoyed 4 percent economic growth in 2004 and 5 percent in

2005, with the tourism industry growing 5.9 percent in 2004 and 6.3 percent in 2005. Also, although unemployment is still high, it dropped from 21 percent in 2004 to 17.5 percent in the second quarter of 2005. Both ruling party and opposition leaders credit the SLP for fostering the tourism industry. As such, the ruling party plans to continue this approach with no thought of returning to agriculture. Pierre and Minister for Communications and Works Felix Finisterre both emphasized that the banana industry is dead and there are no plans to resurrect it.

110. (C) On the other hand, the opposition party believes that subsidies can revive the banana industry to a respectable level, although not to its historic peak. Compton stated that the ruling party's current policy is not privatization but rather abandonment and that it is important to help the banana industry return to at least a functioning level. UWP officials believe that the current tourism economy does not trickle down as efficiently as agriculture did and, therefore, plan to revive bananas while also diversifying agriculture and focusing on value-added agricultural products that may have a foreign market.

## COMMENT

111. (C) Although a victory in the next election by the ruling SLP is increasingly likely, the election will be close. A victory by the SLP will mean continuity in its policies, even with an impending cabinet reshuffle. However, if the opposition takes the reins of government in the upcoming elections, the biggest change would come in foreign relations. The UWP has consistently backed a pro-U.S. foreign policy. It is probable that the UWP would move away from Venezuela and Cuba and more toward a U.S.-centered policy. UWP leaders alluded to PolOff, however, that the UWP will expect an increase of U.S. foreign aid in return for

such diplomatic support. Although not certain, it is also possible that the UWP may switch diplomatic recognition from China back to Taiwan.

112. (C) In terms of crime and the economy, SLP leaders are correct in stating that UWP leaders will be working with the same constraints the SLP currently faces. Because of this, it is doubtful that either party would be able to provide a quick solution to crime, nor would either party move drastically away from the tourism industry, regardless of UWP rhetoric.

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